

RECORDATION NO. 21870 FILED

DEC 11 '98 2-44 PM

LAW OFFICES
MILES & STOCKBRIDGE

A PROFESSIONAL CORPORATION

CAMBRIDGE, MD
COLUMBIA, MD
EASTON, MD
FREDERICK, MD

10 LIGHT STREET
BALTIMORE, MARYLAND 21202-1487

TELEPHONE 410-727-6464
FAX 410-385-3700

MCLEAN, VA
ROCKVILLE, MD
TOWSON, MD
WASHINGTON, D.C.

JOHN A. STALFORD
410-385-3424

December 11, 1998

RECORDATION NO. 21870-A FILED

DEC 11 '98 2-44 PM

via FEDERAL EXPRESS

Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001
Attention: Mrs. Janice Fort

DEC 14 2 44 PM '98

RECEIVED
SURFACE TRANSPORTATION
BOARD

Re: Our File No.: 258-1903

Dear Mrs. Fort:

Enclosed for recordation as a primary document pursuant to the provisions of 49 U.S.C. §11301(a) are one original and one notarized copy of the following document:

Car Lease dated as of September 20, 1994 by and between Progress Rail Services Corp (P.O. Box 1037, Albertville, Alabama 35950) and CSX Transportation, Inc. (500 Water Street, Jacksonville, FL 32202)

Also enclosed for recordation as a secondary document pursuant to the provisions of 49 U.S.C. §11301(a) are one original and one notarized copy of the following document:

Assignment of Lessor's Interest in Lease made as of November 30, 1998 by Progress Rail Services Corporation (P.O. Box 1037, Albertville, Alabama 35950) in favor of The First National Bank of Maryland (25 South Charles Street, Baltimore, Maryland 21201) which relates to the above-referenced Car Lease

Also enclosed is a check to cover the costs of recording the enclosed documents.

Upon recordation, please return the recorded documents to the undersigned.

RECORDATION NO. 21870-A FILED

DEC 11 '98

2-44 PM

STATE OF MARYLAND

SS:

CITY OF BALTIMORE

THIS IS TO CERTIFY that the attached Assignment of Lessor's Interest in Lease is a true and complete copy of said Assignment or Lessor's Interest in Lease.

WITNESS my hand and seal this 11th day of December 1998.

Michelle E. Sperato
Notary Public

My Commission Expires: January 28, 2001

DEC 11 '98

2-44 PM

ASSIGNMENT OF LESSOR'S INTEREST IN LEASE

ASSIGNMENT OF LESSOR'S INTEREST IN LEASE (this "Agreement") made as of November 30, 1998, by Progress Rail Services Corporation, an Alabama corporation ("PRSC") (PRSC is also referred to herein as "Lessor"), in favor of The First National Bank of Maryland, a national banking association ("FM").

"Cars" means the railroad cars identified on the exhibit attached hereto entitled "Description of Railcars."

"Lease" means the Car Lease dated as of September 20, 1994, between Progress Rail Services Corporation, as lessor, and CSX Transportation, Inc., as lessee, as amended to date (by an amendment dated as of November 14, 1995, a second amendment effective as of December 1, 1996, and a third amendment effective as of December 1, 1998), relating to the Cars.

Pursuant to the Assignment Agreement dated as of November 30, 1998, between Railcar, Ltd., Progress Rail Services Corporation, and FM, Lessor has sold to FM all of Lessor's right, title and interest in and to the Cars. In connection with the sale of the Cars, Lessor desires to assign to FM all of Lessor's right, title and interest in and to the Lease.

NOW, THEREFORE, in consideration of the premises and other valuable consideration, the receipt of which is hereby acknowledged, Lessor hereby agrees with FM as follows:

1. Assignment. Lessor hereby assigns to FM all of Lessor's right, title and interest in and to the Lease, including, without limitation, all rent payable with respect to the Cars.

2. Representations and Warranties. Lessor hereby represents and warrants to FM the following:

- (a) to the knowledge of Lessor, there are no defaults or events of default under the Lease;
- (b) the Lease is presently in full force and effect;
- (c) no rent under the Lease has been paid in advance;
- (d) except as otherwise stated herein, Lessor has not assigned, encumbered or transferred in any way its interest in the Lease; and
- (e) a complete copy of the Lease is attached hereto as Exhibit A.

3. Additional Instruments. Lessor shall execute and deliver such further instruments and take such actions as shall be reasonably required in order to carry out the transactions contemplated by this Agreement.

4. Miscellaneous Provisions.

(a) Entire Agreement. This Agreement comprises the complete understanding of the parties and there are no understandings, either written or oral, except as specifically set forth in this Agreement. No changes may be made in this Agreement unless specifically reduced to writing and accepted by both parties. All prior negotiations and understandings of the parties are deemed merged into this Agreement.

(b) Amendment and Waiver. This Agreement may be amended, or any portion of this Agreement may be waived, provided that such amendment or waiver shall be in writing, executed by the parties to which any particular provision specifically relates and all such amendments and waivers made shall be binding upon the parties. No course of dealing between or among any persons having any interest in this Agreement shall be deemed effective to modify, amend or discharge any part of this Agreement or any rights or obligations of any person under or by reason of this Agreement.

(c) Inurement to Benefit of Assigns. All of the terms and provisions of this Agreement shall be binding upon, apply and inure to the benefit of the parties, their respective successors and assigns.

(d) Severability. Each of the terms and provisions of this Agreement, except for the payment of the purchase price to Seller, is and is deemed to be severable, in whole or in part, and, if any term or provision or their application in any circumstance should be invalid, illegal or unenforceable, the remaining terms and provisions or their application, to circumstances other than those as to which it is held invalid, illegal or unenforceable, shall not be affected and shall remain in full force and effect.

(e) Exhibits and Schedules. All exhibits and schedules attached to this Agreement are incorporated and made a part of this Agreement by reference.

(f) Paragraph Headings. All paragraph and subparagraph headings are for convenience of reference only and shall not be used in interpreting this Agreement.

(g) Rights and Remedies. All rights and remedies granted any of the parties under this Agreement shall be cumulative.

(h) Survival of Representatives and Warranties. All representations, warranties and indemnifications shall survive the closing of the transactions contemplated by this Agreement.

(i) Governing Law. The law of the State of Maryland shall govern all questions concerning the construction, validity and interpretation of this Agreement and the performance of the obligations imposed by this Agreement.

(j) Construction. As used herein, any reference to the masculine, feminine or neuter gender shall include all genders, the plural shall include the singular, and the singular shall include the plural. This Agreement and all instruments executed to consummate the transactions contemplated shall be deemed to have been mutually negotiated, prepared and drafted, and in the event of its interpretation no consideration shall be given to the issue of which party prepared, drafted or requested any term, condition or agreement.

[Execution on next page; remainder of this page intentionally left blank]

IN WITNESS WHEREOF, PRSC has executed this Assignment of Lessor's Interest in Lease under seal by its duly authorized officers as of the day and year first written above.

PROGRESS RAIL SERVICES CORPORATION

By: Michael V. Bombino (SEAL)
Name/Title: Michael V. Bombino

State of Alabama, County of Marshall

On November 30, 1998, before me personally appeared Michael V. Bombino, to me personally known, who being by me duly sworn says that he is Senior Vice President & Chief Financial Officer of Progress Rail Services Corporation, an Alabama corporation, and that he executed the foregoing instrument on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Diane W. Eakin
Notary Public
My commission expires: June 30, 2001

[NOTARIAL SEAL]

DESCRIPTION OF RAILCARS

Lessee: CSX Trsansportation

Number of Cars in Lease: 150

Description of Cars: 3443 cubic foot, 100-ton, all steel, triple pocket, coal hoppers

Car Marks and Numbers:

KPXX 14275, KPXX 187150, KPXX 189453, KPXX 189460, KPXX 191023, KPXX 340132, KPXX 340205, KPXX 351359, KPXX 476626, KPXX 478676, KPXX 478888, KPXX 481047, KPXX 482149.

SPSX 41725, SPSX 62956, SPSX 341485, SPSX 424928, SPSX 472023, SPSX 472120, SPSX 472193, SPSX 472196, SPSX 472334, SPSX 472352, SPSX 472387, SPSX 472577, SPSX 472623, SPSX 472624, SPSX 472632, SPSX 472656, SPSX 472871, SPSX 472956, SPSX 473081, SPSX 473097, SPSX 473203, SPSX 473212, SPSX 473220, SPSX 473233, SPSX 473254, SPSX 473284, SPSX 473293, SPSX 473668, SPSX 473693, SPSX 473734, SPSX 473768, SPSX 473861, SPSX 473969, SPSX 474105, SPSX 474206, SPSX 474309, SPSX 474361, SPSX 474362, SPSX 474583, SPSX 474842, SPSX 474912, SPSX 474988, SPSX 475011, SPSX 475095, SPSX 475169, SPSX 475179, SPSX 475228, SPSX 475278, SPSX 475310, SPSX 475449, SPSX 475477, SPSX 475541, SPSX 475795, SPSX 476046, SPSX 476249, SPSX 476251, SPSX 476267, SPSX 476576, SPSX 477121, SPSX 477214, SPSX 477435, SPSX 477499, SPSX 477501, SPSX 477606, SPSX 477739, SPSX 477986, SPSX 478057, SPSX 478124, SPSX 478146, SPSX 478223, SPSX 478259, SPSX 478505, SPSX 478538, SPSX 478604, SPSX 478621, SPSX 478714, SPSX 478832, SPSX 478912, SPSX 479082, SPSX 479373, SPSX 479388, SPSX 479498, SPSX 479516, SPSX 479550, SPSX 479568, SPSX 479665, SPSX 479750, SPSX 479761, SPSX 479777, SPSX 479825, SPSX 479962, SPSX 480052, SPSX 480185, SPSX 480382, SPSX 480399, SPSX 480432, SPSX 480541, SPSX 480733, SPSX 480971, SPSX 481005, SPSX 481031, SPSX 481068, SPSX 481086, SPSX 481106, SPSX 481155, SPSX 481448, SPSX 481897, SPSX 482044, SPSX 482262, SPSX 482283, SPSX 482320, SPSX 482414, SPSX 482506, SPSX 482518, SPSX 482564, SPSX 482573, SPSX 482588, SPSX 482644, SPSX 482713, SPSX 482863, SPSX 482925, SPSX 482933, SPSX 482949, SPSX 482985, SPSX 482989, SPSX 483027, SPSX 483106, SPSX 483213, SPSX 483273, SPSX 483299, SPSX 483371, SPSX 483436, SPSX 483769, SPSX 483841, SPSX 485300, SPSX 485305, SPSX 810487.

DESCRIPTION OF RAILCARS

Lessee: CSX Transportation

Number of Cars in Lease: 105

Description of Cars: 3443 cubic foot, 100-ton, all steel, triple pocket, coal hoppers

Car Marks and Numbers:

KPXX 829109, KPXX 830932, KPXX 830975.

SPSX 62875, SPSX 62903, SPSX 63052, SPSX 63308, SPSX 63456, SPSX 63653,
SPSX 63691, SPSX 188083, SPSX 199631, SPSX 340054, SPSX 347802, SPSX 472108,
SPSX 472276, SPSX 472320, SPSX 472552, SPSX 472680, SPSX 472681, SPSX 473079,
SPSX 473266, SPSX 473330, SPSX 473721, SPSX 473740, SPSX 473750, SPSX 473780,
SPSX 473877, SPSX 474571, SPSX 474918, SPSX 474998, SPSX 475199, SPSX 475766,
SPSX 475936, SPSX 476013, SPSX 476693, SPSX 477752, SPSX 477812, SPSX 478015,
SPSX 478228, SPSX 478325, SPSX 478331, SPSX 478427, SPSX 478433, SPSX 478453,
SPSX 478724, SPSX 478745, SPSX 478807, SPSX 478823, SPSX 479351, SPSX 479571,
SPSX 479678, SPSX 479706, SPSX 479742, SPSX 479932, SPSX 480129, SPSX 480371,
SPSX 481009, SPSX 481386, SPSX 481814, SPSX 481891, SPSX 481955, SPSX 482234,
SPSX 482543, SPSX 482729, SPSX 482821, SPSX 482939, SPSX 482945, SPSX 483188,
SPSX 483206, SPSX 483706, SPSX 483961, SPSX 484192, SPSX 484481, SPSX 484498,
SPSX 484574, SPSX 488260, SPSX 488585, SPSX 831042, SPSX 817202, SPSX 831331,
SPSX 828275, SPSX 828381, SPSX 828418, SPSX 828427, SPSX 829489, SPSX 829636,
SPSX 829696, SPSX 829708, SPSX 829762, SPSX 829846, SPSX 830009, SPSX 830120,
SPSX 830148, SPSX 830439, SPSX 830506, SPSX 830744, SPSX 830899, SPSX 831063,
SPSX 831079, SPSX 831210, SPSX 831263, SPSX 831376, SPSX 831967, SPSX 833878,